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AMENDMENTS TO LB 17

1 1. Strike original sections 1, 2, and 4 and insert the
2 following new sections:

3 "Section 1. Section 9-812, Revised Statutes Supplement,
4 2001, is amended to read:

5 9-812. (1) All money received from the operation of
6 lottery games conducted pursuant to the State Lottery Act in
7 Nebraska shall be credited to the State Lottery Operation Trust
8 Fund, which fund is hereby created. All payments of expenses of
9 the operation of the lottery games shall be made from the State
10 Lottery Operation Cash Fund. In accordance with legislative
11 appropriations, money for payments for expenses of the division
12 shall be transferred from the State Lottery Operation Trust Fund to
13 the State Lottery Operation Cash Fund, which fund is hereby
14 created. All money necessary for the payment of lottery prizes
15 shall be transferred from the State Lottery Operation Trust Fund to
16 the State Lottery Prize Trust Fund, which fund is hereby created.
17 The amount used for the payment of lottery prizes shall not be less
18 than forty percent of the dollar amount of the lottery tickets
19 which have been sold. At least twenty-five percent of the dollar
20 amount of the lottery tickets which have been sold on an annualized
21 basis shall be transferred from the State Lottery Operation Trust
22 Fund to the Education Innovation Fund, the Nebraska Environmental
23 Trust Fund, and the Compulsive Gamblers Assistance Fund. Of the
24 money available to be transferred to the Education Innovation Fund,

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1 the Nebraska Environmental Trust Fund, and the Compulsive Gamblers
2 Assistance Fund, the first five hundred thousand dollars shall be
3 transferred to the Compulsive Gamblers Assistance Fund to be used
4 as provided in sections 83-162.01 to 83-162.04. Thereafter,
5 forty-nine and one-half percent of the money remaining after the
6 payment of prizes and operating expenses and the initial transfer
7 to the Compulsive Gamblers Assistance Fund shall be transferred to
8 the Education Innovation Fund. Forty-nine and one-half percent of
9 the money remaining after the payment of prizes and operating
10 expenses and the initial transfer to the Compulsive Gamblers
11 Assistance Fund shall be transferred to the Nebraska Environmental
12 Trust Fund to be used as provided in the Nebraska Environmental
13 Trust Act. One percent of the money remaining after the payment of
14 prizes and operating expenses and the initial transfer to the
15 Compulsive Gamblers Assistance Fund shall be transferred to the
16 Compulsive Gamblers Assistance Fund to be used as provided in
17 sections 83-162.01 to 83-162.04.

18 (2) The Education Innovation Fund is hereby created. At
19 least seventy-five percent of the lottery proceeds allocated to the
20 Education Innovation Fund shall be available for disbursement. For
21 each fiscal year except fiscal years 2001-02 and 2002-03, the
22 Education Innovation Fund shall be allocated in the following
23 manner: Up to ten percent to fund the mentor teacher program
24 pursuant to the Quality Education Accountability Act; up to seventy
25 percent as quality education incentives pursuant to the act; and up
26 to twenty percent of the fund shall be allocated by the Governor.
27 For fiscal years 2001-02 and 2002-03, the Education Innovation Fund

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1 shall be allocated in the following manner by the Excellence in
2 Education Council: Up to ~~ten percent to fund the mentor teacher~~
3 ~~program pursuant to the Quality Education Accountability Act, up to~~
4 ~~seventy percent as quality education incentives pursuant to the~~
5 ~~act, up to twenty percent, but not to exceed one million five~~
6 ~~hundred thousand dollars per fiscal year, as a distance education~~
7 ~~network completion grant pursuant to section 79-1328; and any~~
8 ~~amount of the twenty percent that would have been allocated to~~
9 ~~distance education network completion grants that is in excess of~~
10 ~~the one million five hundred thousand dollar maximum that is~~
11 ~~authorized for distance education network completion grants shall~~
12 ~~be allocated by the Governor~~ the remainder to the General Fund.
13 Allocations by the Governor shall be through incentive grants to
14 encourage the development of strategic school improvement plans by
15 school districts for accomplishing high performance learning and to
16 encourage schools to establish innovations in programs or practices
17 that result in restructuring of school organization, school
18 management, and instructional programs which bring about
19 improvement in the quality of education. Such incentive grants
20 allocated by the Governor are intended to provide selected school
21 districts, teachers or groups of teachers, nonprofit educational
22 organizations, educational service units, or cooperatives funding
23 for the allowable costs of implementing pilot projects and model
24 programs.

25 From the funds allocated by the Governor, minigrants
26 shall be available to school districts to support the development
27 of strategic school improvement plans which shall include

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1 statements of purposes and goals for the districts. The plans
2 shall also include the specific statements of improvement or
3 strategic initiatives designed to improve quality learning for
4 every student.

5 In addition to the minigrants granted for the development
6 of strategic school improvement plans, school districts with annual
7 budget expenditures of three hundred fifty thousand dollars or less
8 are eligible for minigrants from the funds allocated by the
9 Governor for the purposes allowed in subdivisions (2)(a) through
10 (q) of this section. The amount of this type of minigrant shall
11 not exceed five thousand dollars. The school district shall
12 present a curriculum support plan with its application for the
13 grant. The curriculum support plan must show how the district is
14 working to achieve one or more of the allowed purposes and how the
15 grant will be used to directly advance the plan to achieve one or
16 more of these purposes. The plan must be signed by the school
17 administrator and a school board representative. The application
18 for the grant shall be brief. The Excellence in Education Council
19 shall select the recipients of this type of minigrant and shall
20 administer such minigrants.

21 From the funds allocated by the Governor, major
22 competitive grants shall be available to support innovative
23 programs which are directly related to the strategic school
24 improvement plans. The development of a strategic school
25 improvement plan by a school district shall be required before a
26 grant is awarded. Annual reports shall be made by program
27 recipients documenting the effectiveness of the program in

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1 improving the quality of education as designed in the strategic
2 school improvement plans. Special consideration shall be given to
3 plans which contain public or private matching funds and
4 cooperative agreements, including agreements for in-kind services.
5 Purposes for which such major competitive grants would be offered
6 shall include:

7 (a) Professional staff development programs to provide
8 funds for teacher and administrator training and continuing
9 education to upgrade teaching and administrative skills;

10 (b) The development of strategic school improvement plans
11 by school districts;

12 (c) Educational technology assistance to public schools
13 for the purchase and operation of computers, telecommunications
14 equipment and services, and other forms of technological innovation
15 which may enhance classroom teaching, instructional management, and
16 districtwide administration. Telecommunications equipment,
17 services, and forms of technical innovation shall be approved only
18 after review by the technical panel created in section 86-1511;

19 (d) An educational accountability program to develop an
20 educational indicators system to measure the performance and
21 outcomes of public schools and to ensure efficiency in operations;

22 (e) Alternative programs for students, including
23 underrepresented groups, at-risk students, and dropouts;

24 (f) Programs that demonstrate improvement of student
25 performance against valid national and international achievement
26 standards;

27 (g) Early childhood and parent education which emphasizes

1 child development;

2 (h) Programs using decisionmaking models that increase
3 involvement of parents, teachers, and students in school
4 management;

5 (i) Increased involvement of the community in order to
6 achieve increased confidence in and satisfaction with its schools;

7 (j) Development of magnet or model programs designed to
8 facilitate desegregation;

9 (k) Programs that address family and social issues
10 impairing the learning productivity of students;

11 (l) Programs enhancing critical and higher-order thinking
12 capabilities;

13 (m) Programs which produce the quality of education
14 necessary to guarantee a competitive work force;

15 (n) Programs designed to increase productivity of staff
16 and students through innovative use of time;

17 (o) Training programs designed to benefit teachers at all
18 levels of education by increasing their ability to work with
19 educational technology in the classroom;

20 (p) Approved accelerated or differentiated curriculum
21 programs under sections 79-1106 to 79-1108.03; and

22 (q) Programs for children from birth to age twenty-one
23 years with disabilities receiving special education under the
24 Special Education Act and children from birth to age twenty-one
25 years needing support services as defined in section 79-1125.01,
26 which programs demonstrate improved outcomes for children from
27 birth to age twenty-one years through emphasis on prevention and

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1 collaborative planning.

2 The Governor shall establish the Excellence in Education
3 Council. The Governor shall appoint eleven members to the council
4 including representatives of educational organizations,
5 postsecondary educational institutions, the business community, and
6 the general public, members of school boards and parent education
7 associations, school administrators, and at least four teachers who
8 are engaged in classroom teaching. The State Department of
9 Education shall provide staff support for the council to administer
10 the Education Innovation Fund, including the Quality Education
11 Accountability Act. The council shall have the following powers
12 and duties:

13 (i) In consultation with the department, develop and
14 publish criteria for the awarding of incentive grants allocated by
15 the Governor for programs pursuant to this subsection, including
16 minigrants;

17 (ii) Provide recommendations to the Governor regarding
18 the selection of projects to be funded and the distribution and
19 duration of project funding;

20 (iii) Establish standards, formats, procedures, and
21 timelines for the successful implementation of approved programs
22 funded by incentive grants allocated by the Governor from the
23 Education Innovation Fund;

24 (iv) Assist school districts in determining the
25 effectiveness of the innovations in programs and practices and
26 measure the subsequent degree of improvement in the quality of
27 education;

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1 (v) Consider the reasonable distribution of funds across
2 the state and all classes of school districts;

3 (vi) Carry out its duties pursuant to the Quality
4 Education Accountability Act; and

5 (vii) Provide annual reports to the Governor concerning
6 programs funded by the fund. Each report shall include the number
7 of applicants and approved applicants, an overview of the various
8 programs, objectives, and anticipated outcomes, and detailed
9 reports of the cost of each program.

10 To assist the council in carrying out its duties, the
11 State Board of Education shall, in consultation with the council,
12 adopt and promulgate rules and regulations establishing criteria,
13 standards, and procedures regarding the selection and
14 administration of programs funded from the Education Innovation
15 Fund, including the Quality Education Accountability Act.

16 (3) Recipients of incentive grants allocated by the
17 Governor from the Education Innovation Fund shall be required to
18 provide, upon request, such data relating to the funded programs
19 and initiatives as the Governor deems necessary.

20 (4) Any money in the State Lottery Operation Trust Fund,
21 the State Lottery Operation Cash Fund, the State Lottery Prize
22 Trust Fund, or the Education Innovation Fund available for
23 investment shall be invested by the state investment officer
24 pursuant to the Nebraska Capital Expansion Act and the Nebraska
25 State Funds Investment Act.

26 (5) Unclaimed prize money on a winning lottery ticket
27 shall be retained for a period of time prescribed by rules and

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1 regulations. If no claim is made within such period, the prize
2 money shall be used at the discretion of the Tax Commissioner for
3 any of the purposes prescribed in this section.

4 Sec. 2. Section 79-1328, Revised Statutes Supplement,
5 2001, is amended to read:

6 79-1328. (1) For fiscal years 2001-02 and 2002-03, the
7 Excellence in Education Council shall grant up to ~~twenty percent of~~
8 ~~the Education Innovation Fund,~~ not to exceed one million five
9 hundred thousand dollars per fiscal year, to a grantee for a
10 distance education network completion grant. The distance
11 education network completion grant shall fund engineering,
12 equipment, and installation charges for two-way interactive
13 distance education capacity for public high school buildings that
14 do not currently have such capacity. The grant application shall:

15 (a) Designate the State Department of Education as the
16 fiscal agent for the grant;

17 (b) Specify criteria for determining the public high
18 school buildings for which the grant will fund engineering,
19 equipment, and installation charges;

20 (c) Specify criteria for determining the engineering,
21 equipment, and installation charges which the grant will fund;

22 (d) Specify the technique for prorating funding and
23 collecting funds from districts if the charges for engineering,
24 equipment, and installation for the public high school buildings
25 for which grant funds are used exceed the grant funds available;

26 (e) Specify the procedure for assuring that all projects
27 meet the standards of the technical panel created in section

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1 86-1511, including periodic reviews of projects by the technical
2 panel;

3 (f) Specify the timeline for completing a statewide
4 two-way interactive distance education network that includes all
5 participating public high schools; and

6 (g) Specify that any equipment obtained through a grant
7 is the property of the school district and not the department.

8 (2) For a public high school to participate in the grant,
9 the school district must apply to the department as the fiscal
10 agent on a form prescribed by the department on or before a date
11 established by the department. The application shall require
12 evidence that the school district has made a commitment to be part
13 of a distance education consortium and that the distance education
14 consortium has accepted the district's commitment. The application
15 shall also require the applicant district to list the classes that
16 the district anticipates accessing from the consortium or a
17 community college and any classes that the district anticipates
18 that it will offer to other districts in the consortium through
19 distance education.

20 (3) The department as the fiscal agent may use up to
21 twenty-five thousand dollars per fiscal year of the grant funds to
22 fund a project manager.".

23 2. On page 11, line 20, strike "79-1018" and insert
24 "79-1328".

25 3. Renumber the remaining sections accordingly.